

## NJ CAS Implementation Issues

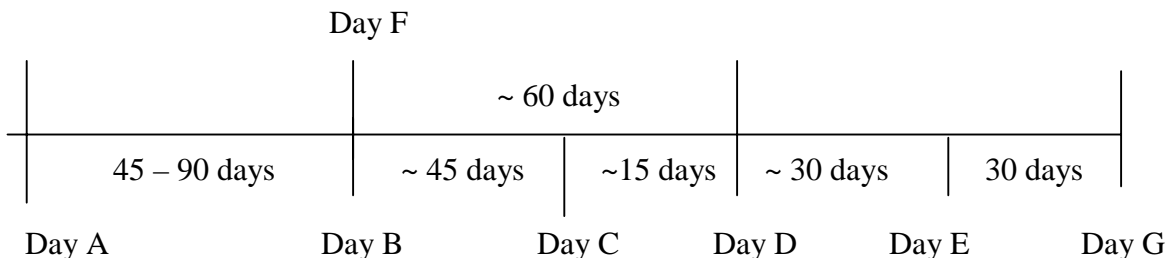
This document has been produced by the NJ CAS “electric” working group. This document applies only to the electric industry in New Jersey and addresses various issues that the group would like approved by the BPU. It is comprised of three components: Timeline for Implementation, Transition Issues, and Ongoing Practices.

### NJ CAS Timeline for Implementation

#### Issue: **Projected Timeline**

##### Plan:

- Day A: [June 8, 2001] Resolution of Motions for Reconsideration – Utilities release Billing Services Agreement (BSA). (**Resolution means RPA and MAPSA have said they will not take further action**)
- Day B: BPU approves BSA and revised Third Party Supplier (TPS) Agreement (It is expected to take approximately 45 - 90 days from the Utilities releasing the BSA [Day A + (45-90)])
- Day C: Supplier must have BSA signed or their customers will be switched to dual billing. Supplier must have revised TPS agreement signed or their customers will be returned to Basic Generation Service (BGS). This will provide a 30-45 day period from the BPU approval of the BSA to allow a supplier to complete execution of the BSA and revised TPS agreement.
- Day D: Beginning of implementation month (Day D to Day E - transition month). This must be a minimum of 15 days so the utilities can make final adjustments to their systems.
- Day E: (Effective Date) Invoices generated after this date will be “assumed”. This is also date for implementation of expanded bill print functionality  
**Note:** The utilities have planned to have Day E be the first cycle billed in a month. This will assist in training and projecting Call Center volume.
- Day F: Beginning of testing for expanded bill print functionality. This must be complete by Day D (60 day window for testing).
- Day G: First day that supplier inserts may be included in customer bills.



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- Transition Month – there are activities required within the utilities to prepare for the beginning of assuming receivables.
  - If a customer's Supplier has not executed the Billing Services Agreement by Day C, the utility will notify customers they will begin receiving separate bills from their supplier and their utility with their first bill generated after Day E.
  - If a customer's Supplier has not executed the revised TPS Agreement by Day C, the utility will notify customers that they will begin receiving supply from BGS with their first bill generated after Day E.
  - If the utility has determined the customer is "non-creditworthy", the utility will notify customers they will begin receiving separate bills from their supplier and their utility with their first bill generated after Day E.
  - Customers whose suppliers do not successfully test EDI will be switched to dual billing. The utility will notify customers that they will begin receiving separate bills from their supplier and their utility with their first bill generated after Day E.
  - Notification will be via letter to the customer

**Note:** Testing of new functionality for 810s is critical. During the period scheduled for testing, no testing of new suppliers will be conducted, nor will testing of new functionality for a supplier.

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### **NJ CAS Transition Issues**

**Issue: How will Switch to Dual Billing for non-creditworthiness take place during the “transition month”**

Plan:

- The utility will notify the customer via letter.
- The utility will notify the supplier via the 814 Change transaction. The effective date in the 814 Change will be the beginning of the meter reading period of the month that will be DUAL billed. For instance, the effective date on the 814 Change may be June 3, which means the June 3 bill will be Consolidated, and the July 3 bill will be Dual.

**Issue: Supplier does not sign Billing Service Agreement, but signs revised TPS Agreement**

Plan:

The Billing Services Agreement and revised TPS Agreement must be executed at least 15 days prior to the transition month.

If the Billing Services Agreement is not signed, but the TPS Agreement is signed, the utility will no longer have a valid billing arrangement with the supplier, and will not be able to offer consolidated billing to those customers.

During the transition month, the customers of suppliers, who have not signed the BSA, but have signed the revised TPS Agreement, will be switched to dual billing. The first bill after the effective date will be a dual bill.

- The utility will notify the customer via letter.
- The utility will notify the supplier via the 814 Change transaction. The effective date in the 814 Change will be the beginning of the meter reading period of the month that will be DUAL billed. For instance, the effective date on the 814 Change may be June 3, which means the June 3 bill will be Consolidated, and the July 3 bill will be Dual.

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### **Issue: Supplier does not sign Billing Service Agreement or revised TPS Agreement**

#### **Plan:**

The Billing Services Agreement and revised TPS Agreement must be executed at least 15 days prior to the transition month.

If the Billing Services Agreement and revised TPS Agreement are not signed, the utility will no longer have a valid billing agreement or TPS Agreement with the supplier, and will not be able to continue to have those customers receive generation from the supplier.

During the transition month, the customers of suppliers, who have not signed the BSA or revised TPS Agreement, will be switched back to BGS Services. The first bill after the effective date will be billed by the utility at the BGS rate.

- The utility will notify the customer via letter.
- The utility will notify the supplier via the 814 Drop transaction. The effective date in the 814 Drop will be the beginning of the meter reading period of the month that the customer will be back on BGS services. For instance, the effective date on the 814 Drop may be June 3, which means the July 3 bill will have the utility providing BGS services.

### **Issue: How should the need for testing prior to new consolidated billing features be addressed?**

#### **Plan:**

GPU and Rockland: No additional testing is needed.

#### **PSE&G and Conectiv:**

- The plan is to allot each supplier that is currently certified for consolidated billing at least one opportunity for testing prior to implementing the expanded bill print functionality (Day E).
- It is anticipated that there will be at least two batches of suppliers scheduled for testing.
- The detailed test plan still needs to be developed.
- If a supplier has been given the opportunity for testing, but has not successfully completed testing, the following will occur:
  - Their customers may be switched to dual billing as part of the transition.
  - They may be marked in the utility system as valid for dual bill only.
  - The customers will be notified that they will receive separate bills from their supplier and their utility.

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- The utility will notify the supplier via the 814 Change transaction. The effective date in the 814 Change will be the beginning of the meter reading period of the month that will be DUAL billed. For instance, the effective date on the 814 Change may be June 3, which means the June 3 bill will be Consolidated, and the July 3 bill will be Dual.

**Note:** For Conectiv, if the EDI changes required for the 810 will allow the current version of the 810 to be accepted, Conectiv will not switch those customers to dual billing.

Prioritization of suppliers in batches:

- The utilities will establish the priority of suppliers for testing based on the number of consolidated bill customers for that supplier. The utility will notify the suppliers of their scheduled batch at least 2 weeks prior to the start of scheduled testing.

### Issue: **How will Supplier balances be handled in transition?**

Plan:

Conectiv:

- All accounts classified as “dual” on the effective date (Day E minus 1 day) will have their balances returned to the supplier via EDI 248.
- All inactive accounts will have their balances returned to the supplier via EDI 248.
- Conectiv will “assume” the current bill period. All remaining balances older than the current bill period will be returned to the supplier via EDI 248.

GPU:

- GPU will maintain balance on the account for 60 days, and then it will be returned to the supplier via EDI 248.

PSE&G:

- Prior to billing for the first time after the effective date, PSE&G will reset the supplier balance to zero. Balances from prior to the effective date will be the responsibility of the supplier to collect.

Rockland:

- There is no need for a transition since Rockland already assumed the supplier receivables.

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### **NJ CAS Ongoing Practices**

This section of the document details the current plans of the electric utilities, as it relates to post-implementation practices. For PSE&G, this section applies to both electric and gas post-implementation practices. The practices and/or specifications defined in the CAS Settlements and Attachments also apply. As experience is gained, some of these practices may be re-evaluated in the future. Any future change will be communicated with all active suppliers prior to its implementation.

#### **Issue: Definition of a Disputed Charge**

##### **Plan:**

A TPS' charge will be identified as disputed when the customer informs the Electric Utility and refuses to pay all or a portion of the bill. Customer must verbally confirm having discussed with the TPS.

It is the responsibility of the Electric Utility to notify the TPS of a dispute if payment is being withheld.

#### **Issue: Payment of Disputed Charges**

##### **Plan:**

The Settlement stated that the utility has the right to withhold payment for disputed charges.

##### **PSE&G:**

- Payment will be made in full to the TPS on the scheduled date after the initial bill. If a customer contacts PSE&G and disputes a TPS' charges, PSE&G will inform the customer to contact the TPS directly to discuss the TPS' charges. If the customer's dispute is not resolved by the TPS, and the customer contacts PSE&G regarding the same dispute, PSE&G will reduce a future payment to the TPS via the 820 transaction. Prior to initiating the 820 transaction, PSE&G will attempt to contact the TPS to ascertain the status of the dispute. If the TPS has not resolved the dispute with the customer, PSE&G will issue an 820 and reduce a future payment by the disputed amount (on the scheduled date of the 820. PSE&G will institute a reason-code for the disputed charges in the 820 transaction at the time of implementation of Gas CAS – planned for the spring of 2002.

##### **Conectiv, GPU, and Rockland:**

- The utility has the right to withhold payment, but the process will not be automated initially.

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### **Issue: Assumption of Receivables for Utility Consolidated Bill**

Plan:

PSE&G:

- Factoring Gas Charges:
  - If a gas customer is billed on a PSE&G consolidated bill, PSE&G will factor (i.e., reduce) payments of a TPS' submitted gas commodity charges to the TPS based on the prior calendar year actual gas uncollectible levels.

### **Issue: Payment Frequency to Supplier**

Plan:

The CAS Stipulations for PSE&G, Conectiv and GPU state that payments are due the 5<sup>th</sup> day after the customer due date. Rockland's CAS Stipulation states the payment is due 25 days after the bill date.

Specifics on payments will be in each utility's FAQ or operating manual. Some utilities may consolidate several days of payments.

### **Issue: How is a customer defined as not creditworthy?**

Plan:

A Customer is not creditworthy if:

- Customer has any utility or supplier charges that have aged 60 days or more.
  - Exception: PSE&G Governmental accounts: A customer is not creditworthy if they have any utility or supplier charges that have aged 90 days or more.
- If a customer has been switched to dual billing for non-creditworthiness, they will not be eligible for a utility consolidated bill for one year.

A Utility may reject a Supplier's enrollment for a utility consolidated bill if the utility deems that the customer is not creditworthy. The electronic transaction from the Utility to the Supplier will have a reason-code that specifies that customer non-creditworthiness is the cause of the rejection.

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**Issue: How will the utility notify customer of the utility's right to switch a customer to dual billing?**

**Plan:**

PSE&G, Conectiv and Rockland: The Enrollment letter will include language informing the customer of the potential consequences of delinquencies. All existing Choice customers will also receive a letter informing them of the potential consequences of delinquency.

GPU: When a customer becomes delinquent, the customer will receive notice as part of the dunning function. The utility will notify the customer of the potential consequences of delinquency.

**Issue: How will the switch to dual billing work after the implementation date?**

**Plan:**

Upon implementation of assuming receivables, the utilities have the right to switch a customer to dual billing when charges have aged 60 days. When charges are aged 60 days, the utility will:

- Notify the customer they are being switched to dual billing.
- Send an 814 Change to the supplier informing them that the customer has been switched to dual billing.
  
- Exception: PSE&G Governmental accounts will be switched to dual billing when charges have aged 90 days or more.

The next bill, at least 15 days in the future, will be a dual bill.

**Issue: Will a customer be switched to dual based on a disputed amount on an account?**

**Plan:**

A customer will not be switched to dual billing on the basis of disputed amounts on the customer's account. However, the Utility may switch a customer to dual billing if any non-disputed utility or supplier charges on the account have aged 60 days or more.

- Exception: PSE&G Governmental accounts: A customer is not creditworthy if they have any utility or supplier charges that have aged 90 days or more.



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### **Issue: Bill Format for Utility Consolidated Bill**

Plan:

PSE&G:

- Data transmission will be via EDI (810) (i.e., PSE&G will receive the rolling page of text on the EDI 810 for each bill).
- The text supplied by suppliers should be 60 bytes in length, and consist of 60 lines (rows) of data. Trailing blank lines (if the supplier does not utilize all 60 lines) will not print. The data points and TPS name and/or Logo will be included within the above-referenced 60 rows of data – leaving 50 lines for the text message.
- PSE&G can still receive the data points in the current EDI 810 transaction.
  - PSE&G will still accept the 6 data points, but will ignore the “Previous Balance” and the “Balance Prior to Billing”.
  - The “Adjustments” field must not contain payments, and the “Total” field must equal the sum of the “Adjustments” and the “Current Charge”.
- Error Conditions
  - If the data points and text is not received within the 48 hour window, the current “TPS data not available” message will print.
  - If the data points are received and are valid, but the rolling page text contains an error, the data points will still be printed on the customer’s bill and an EDI 824 will be sent to the TPS advising of the text error.
  - If PSE&G rejects an 810 for errors in the billing data points, both the billing data points and the rolling page of text will not be printed on the bill.
- The text supplied by suppliers will print in both upper case and lower case.
- Font will be a customized Helvetica condensed.
- Off cycle bills will be treated the same as standard bills.
- Standard PSE&G stock will be used.

Conectiv:

- Data transmission will be EDI as part of the 810 transaction.
- Will allow 25 lines of charges. The charge may be sent as a charge or as text.
- Text associated with a charge may be up to 48 characters.
- Text to print in the “charges” section of the bill may be 60 characters. Text messages that print after all charges may be 80 characters.
- Atlantic will support any text format sent by the TPS. Text sent by the TPS will be converted to the current print format by Atlantic.

GPU:

- The format of the bill did not change for GPU Energy as a result of the CAS Settlement.

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### **Issue: TPS' Logo**

#### **PSE&G:**

- If a TPS wants its logo to be printed on PSE&G's bill, the following conditions will apply:
  - The logo must be provided to PSE&G at least two weeks prior to the start of external testing.
  - The logo must be provided as an IBM page segmentation file.
  - The logo will be printed in black and white.
  - The logo will be the same for all customers.
  - The maximum dimension of the logos are as follows:
    - Width: 1.17 in (7 picas)
    - Length: 0.68 in (4p1 4 picas, 1pt)

#### **Other utilities:**

- Information regarding their requirements for a supplier logo will be provided on their websites.

**Issue: Bill Inserts: - See Attachment A**

**Issue: Bill Format:- See Attachment B**